

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF  
THE MIAMI BEACH EMPLOYEES' RETIREMENT PLAN  
OF THE CITY OF MIAMI BEACH  
May 5, 2009

Chairman Boyd called the meeting to order at 10:10 a.m.

Board Members present were as follows:

James Boyd	Jose Cruz	Hilda Fernandez
Jorge Gomez	Warren Green	Reinaldo Horday
	Jonathan Sinkes	Patricia Walker

Members absent - Richard McKinnon

Also present were:

Steve Cypen	Legal Counsel
Rick Rivera	Pension Administrator
Robert Martinez	Assistant Pension Administrator
Bill Cottle	Fund Consultant, Milliman Inc.
Ramiro Inguanzo	Human Resources Director
Zander Grant	Investment Manager, Wellington Mngmnt.
Valarie Diamond	Investment Manager, Wellington Mngmnt.
Evie Asness	Investment Manager, State of Israel Bonds
Sheryl Tepper Weitman	Investment Manager, State of Israel Bonds
Frank Shore	Retired member
Evan Schechter	Disabled retired member
Paco Basantes	Disability applicant
Richard Sicking	Attorney for Evan Schechter

CONSENT AGENDA

The Administrator requested the addition of an addendum to the Consent Agenda for a request for payment on behalf of Advanced Insurance Inc. for the annual Fiduciary Liability Insurance premium in the amount of \$39,501 and a request for two (2) years of additional creditable service for employee Michelle Cullen.

A motion was made by Mr. Gomez, duly seconded by Mr. Sinkes, and unanimously

RESOLVED            That the addendum to the Consent Agenda be added as presented.

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Mr. Cruz requested that the topic of Fiduciary Liability Insurance be placed on the Regular Agenda next month. He requested that the Administrator research what other Plans were paying on an annual basis as well as limit option changes from \$10 million to \$5 million.

A motion was made by Ms. Walker, duly seconded by Mr. Green, and unanimously

RESOLVED That the Consent agenda be approved as amended.

CONSENT AGENDA

C-1 The Minutes of the April 14, 2009 Board Meeting were approved as presented.

C-2 New Members were approved as follows -

<u>NAME</u>	<u>ID #</u>	<u>CLASSIFICATION</u>	<u>Union</u>	<u>DATE OF HIRE</u>
Bradley Mester	19411	Management Consultant	Unc.	03/30/2009
Laurent Yamen	19413	Bldg. Permit Analysis	Unc.	04/06/2009

C-3 New Retiree Allowances were approved as follows -

<u>Name</u>	<u>Date of Retirement</u>	<u>Retirement Type</u>	<u>Amount</u>
Robert Halfhill	05/01/2009	Ordinary Serv. Ret.	\$3,497.58
Robert Halfhill	05/01/2009	Partial Lump Sum (7%)	\$30,132.00

C-4 New Pensioner Allowances were approved as follows -

<u>Name</u>	<u>Date of Retirement</u>	<u>Ret. Type</u>	<u>Dependent upon</u>	<u>Amount</u>
Gloria Knight	04/01/2009	50% Ord.	Albert Knight	\$1,168.79
Fannie Villegas	05/01/2009	50% Ord.	Antonio De La Hoz	\$ 983.65

C-5 Requests for Lump Sum Refunds were approved as follows -

<u>Name</u>	<u>Separation Date</u>	<u>Amount</u>	<u>Reason</u>
Joshea Mark	01/18/2009	\$10,194.68	Resignation
Marcos Bermudez	06/06/2008	\$24,163.95	Resignation
Jessica Zamora	04/17/2009	\$5,199.38	Resignation

C-6 Request for Accumulated Contribution Refund for a Named Beneficiary was approved as follows - (none)

C-7 Purchases of Creditable Service Time were approved as follows-

	<u>Date</u>	<u>YEAR PURCHASED</u>	<u>HOURS USED</u>	<u>CASH USED</u>	<u>Leave AMOUNT</u>
John Berry	04/27/2009	0.5	85.46		\$2,547.11
David Price	04/20/2009	0.48	73.65		\$1,825.67

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C-8 Request for up to Two (2) years of additional creditable service were approved as follows -

	SWORN STATEMENT <u>SIGNED &amp; NOTARIZED</u>	CMB APPLICATION/RESUME <u>or additional back up</u>	CREDITABLE SERVICE <u>PURCHASED</u>
<u>NAME</u>			
Jesus Collado	Yes	X	2.0
Michelle Cullen	Yes	X	2.0

C-9 DROP applicants were approved as follows -

	Effective <u>Retirement</u>	Estimated Monthly Benefit <u>Calculation</u>	Last DROP <u>Deposit</u>
<u>Full Name</u>			
Julian Perez	05/01/2009	\$ 5,624.00	04/01/2012

C-10 Lump Sum Refunds Paid since the last meeting were approved as follows -

Lump Sums Paid	Date of		<u>Check</u>	IRS Tax	Tax
<u>Name</u>	<u>Check</u>	<u>Voucher</u>	<u>Amount</u>	<u>Payment</u>	<u>Payment</u> <u>Date</u>
Carlicia St. Lucien	04/17/2009	111129	14,487.50	3,621.87	04/20/2009
Daniel Trujillo	04/20/2009	111142	11,290.89	2,822.72	04/22/2009

C-11 The Financial Reports were approved as presented.

C-11 Requests for Payment were approved as presented.

May-09

Steve Cypen- Legal fees	
Retainer for the month of May 2009	\$ 4,500.00
Joan Wall- Bookkeeping	
Bookkeeping services for the month of May 2009	\$ 300.00
Rhumblin Advisers- Investment Management Fees	
Quarterly Fees for period ending 03/31/2009	\$12,710.32
ICC Capital Management- Investment Fees	
Quarterly Fees for quarter ending 6/30/2009	\$29,385.08
Fiduciary Trust- Custodial Bank Fees	
Quarterly Fees for period ending 3/31/2009	\$ 5,643.77
Office Depot- office supplies	
Invoice# 470539518-001	\$ 113.67
Ellen Schaffer- Capital Improvements	
Programming & Consulting Fees Per Inv#2146,2149	\$ 1,444.92
SBS Miami Lakes - Copier	
Per invoice # 122587322 for the month of May	\$ 228.56
CMB Property Management-	
For the month of March 2009 Inv# 00011919	\$ 1,986.69
CMB Information Technology- Computer & Phone Use	
For the month of April 2009 Inv# 00011931	\$ 2,517.36

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Frank Fuentes, MD- Medical Exam	
For disability applicant Paco Basantes	\$ 500.00
Jose L. Vazquez, MD, PA- Medcial Exam	
For disability applicant Paco Basantes	\$ 275.00
Tampa Envelope- Office Supplies	
Per Inv# 59089	\$ 151.65
Echo Chandler- Education	
Tuition Assistance Reimbursement	\$ 171.00
Advanced Insurance - Fiduciary Liability Ins. Premium	
For 05/01/2009 - 05/01/2010	\$ 171.00

REGULAR AGENDA

R-1 Deferred Items -

A. James Pestana Pension Offset - There was no new information.

R-2 New Items

A. Disability Retiree Evan Schechter's Worker's Compensation Agreement - Richard Sicking, Attorney for Evan Schechter, presented the Board a proposed Worker's Compensation settlement agreement that was agreed to by the City. He said that he would be executing the agreement on behalf of his client, Evan Schechter, if the Board had no objections. The Board had no objections.

B. Informal Disability Hearing for Paco Basantes - The Board reviewed Mr. Basantes' disability report. Mr. Basantes was sworn in by Mr. Cypen. Mr. Basantes produced a piece of paper addressed to the Board. Mr. Cypen read the statement on the piece of paper and instructed the Administrator to make it part of the official record. A discussion ensued regarding the evaluation by the medical board.

Mr. Green made a motion to grant Paco Basantes a service connected disability. Mr. Sinkes seconded the motion. Mr. Green voted for the motion. Mr. Cruz, Ms. Walker, Ms. Fernandez, Mr. Gomez, Mr. Sinkes, Mr. Horday and Mr. Boyd voted against the motion. The motion failed.

A discussion ensued regarding whether more information was necessary from Mr. Basantes' doctor's regarding Mr. Basantes' service connected disability. A discussion ensued whether more information was necessary from the Human Resources department in order to determine whether Mr. Basantes had exhausted all avenues regarding job placement and possible City accommodations.

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Mr. Green made a motion to obtain more information from Mr. Basantes' doctors. Mr. Sinkes seconded the motion. Mr. Green, Mr. Horday and Mr. Sinkes voted for the motion. Mr. Cruz, Ms. Walker, Ms. Fernandez, Mr. Gomez and Mr. Boyd voted against the motion.

Mr. Gomez made a motion to deny Paco Basantes a service connected disability on the grounds that it was not total, not permanent and not service incurred. Ms. Fernandez seconded the motion. Mr. Cruz, Ms. Walker, Ms. Fernandez, Mr. Gomez, Mr. Horday and Mr. Boyd voted for the motion. Mr. Green and Mr. Sinkes voted against the motion.

- C. Request by City Administration to use the Fund's Actuary, Gabriel Roeder Smith, for a pension alternative study - The Chairman admonished the Fund's Actuary for making information public to the City Commission before sharing the information with the Pension Board. Ms. Walker stated that the City Administration had not been privy to the information either and that Mr. Palmquist had stated that he may have erred when releasing this information in draft form at the commission meeting.

Mr. Boyd said that in the past the Pension Board had always granted permission to the City Administration to use the Fund's Actuary as long as the information was distributed to the Pension Board at the time the information was made public. Mr. Boyd felt that in the future the pension fund's service providers should have to notify the Board before speaking at a Commission meeting. It was agreed that this matter should be addressed at a future board meeting.

A motion was made by Ms. Walker, seconded by Ms. Fernandez, to approve the use of the Fund's actuarial data by Gabriel Roeder Smith (GRS) for all and any analysis requested by the City Administration and Commission also allowing GRS to present the data and with Mr. Cruz, Ms. Walker, Ms. Fernandez, Mr. Gomez, Mr. Sinkes and Mr. Boyd voting 'Yes' and Mr. Green and Mr. Horday voting 'No' the motion passed.

- D. Merit Consideration for Administrator - This item was deferred until next month.

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R-3 Other Business

- A. Administrator's Report - The Administrator gave a status report on the ICMA Drop contract approval. Mr. Cypen said that there was one last detail to be agreed upon in the contract regarding that the venue for any action related to the agreement shall be held in a Miami Dade County Court. Mr. Cypen said that he expected the contract to be approved in May.

R-4 Quarterly Investment Reports

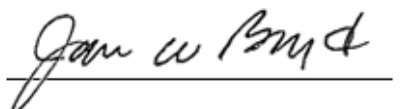
- A. Bill Cottle, Milliman Inc. - Mr. Cottle reviewed his quarterly performance report for the quarter ending March 31, 2009. He said that he and the Administrator had made a shift in the Fund's asset allocation of approximately 2% from fixed income to equities. He said that he would be recommending another asset allocation shift to equities during the month of May. Mr. Cottle informed the Board that he had a discussion with Bart McMurry, investment manager for ICC, regarding prospective investment proposals in the Russell microcap index. He said that he would report back with new information at a future meeting. Mr. Cottle went over his report.
- B. Fixed income manager presentations - Fixed income managers presented their quarterly reports.

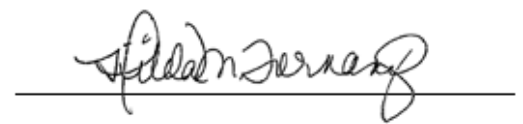
R-5 For Your Information

Chairman Boyd and Mr. Cypen reviewed For Your Information.

There being no further business to discuss, a motion was made by Ms. Walker duly seconded by Mr. Cruz and unanimously

RESOLVED That the meeting be adjourned. The meeting was adjourned at 12:50 p.m.

  
James Boyd, Chairman

  
Hilda Fernandez, Secretary